

**SUMMARY APPRAISAL REPORT
FORMER FIRE STATION – ENGINE #28
4131 ELYSIAN FIELDS AVENUE
NEW ORLEANS, LOUISIANA 70119**



**PREPARED FOR
MARTHA GRISET
REAL ESTATE ADMINISTRATOR
CITY OF NEW ORLEANS - CITY HALL
1300 PERDIDO STREET - ROOM 5W06
NEW ORLEANS, LOUISIANA**

**PREPARED BY
GAYLE H. BOUDOUSQUIE & ASSOCIATES
228 SAINT CHARLES AVE.
SUITE 1331
NEW ORLEANS, LA 70130**

**APPRAISER
GAYLE H. BOUDOUSQUIE, MAI
LOUISIANA CERTIFIED GENERAL
REAL ESTATE APPRAISER LICENSE NO. G0125
AND
BONNIE R. CURRY
LOUISIANA CERTIFIED GENERAL
REAL ESTATE APPRAISER LICENSE NO. G1023**

**AS OF
AUGUST 28, 2013**

Gayle H. Boudousquie & Associates
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New Orleans, LA. 70130

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September 12, 2013

Martha J. Griset
Real Estate Administrator
City of New Orleans
City Hall
1300 Perdido Street
Room 5W06
New Orleans, LA 70112

Our File No.: 2013-19

Re: Summary Appraisal Report
 Engine #28 – Former Fire Station
 4131 Elysian Fields Avenue
 New Orleans, Louisiana 70119

Dear Ms. Griset:

Pursuant to your authorization for an appraisal of the above captioned property, we completed an on site inspection on August 28, 2013. We have analyzed the neighborhood and comparable data necessary to estimate the “as is” market value of the fee simple interest at highest and best use.

The 6,000± square foot site is improved with a 2,620+/- square foot former firehouse in poor condition. Poor condition is defined as a property requiring complete renovation and structural repair. The subject’s roof has failed and the interior has been open to the elements for many years.

The property was constructed in 1939± according to published information. The firehouse was previously used by NORD. The building has been left unattended for twenty years and further damaged by Hurricane Katrina and Hurricane Isaac from wind and water damage. The assumption of this report is the masonry walls and slab are sound, but it is recommended that a structural engineer inspect the property and report on the overall integrity of slab and masonry walls.

The property is located in the Gentilly Terrace Historic District. This District is not under the control of the HDLC, but demolition would require a review and approval from the Neighborhood Conservation District prior to the City of New Orleans issuing a demolition permit.

The improvements are situated on 6,000 square feet of land on the corner of Elysian Fields and Pelopidas Street near the Gentilly Boulevard/Elysian Fields intersection in an area of concentrated commercial activity.

The property is located in area known as Gentilly Terrace, a district on the National Historic Register.

Based on the quality and quantity of data, as well as current economic conditions, it is our opinion the “as is” value as of August 28, 2013 is

ONE HUNDRED SEVENTY SIX THOUSAND DOLLARS

(\$176,000.00)

We hereby certify that we have no present or future contemplated interest in the subject property or any related third party interest in this property.

This letter of transmittal only serves to report the final value estimate conclusion reached in the full summary report, which follows, and must not be misconstrued to represent a complete appraisal in and of itself. This report is subject to the assumptions and limiting conditions as stated herein. We sincerely hope this report serves the needs of city of New Orleans adequately. If there are any questions or if we may be of further service, please feel free to call.

Respectfully submitted,



Gayle H. Boudousquie, MAI
Louisiana Certified General
Real Estate Appraiser License, No. G0125



Bonnie R. Curry
Louisiana Certified General
Real Estate Appraiser License No. G1023

CERTIFICATION

We certify that, to the best of our knowledge and belief . . .

- the statements of fact contained in this report are true and correct.
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, unbiased professional analyses, opinions, and conclusions.
- We have no present or perspective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- our compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- the analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics of which the undersigned is a member of The Appraisal Institute.
- the analyses, opinions, and conclusions were developed and this report prepared in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation and the Louisiana Certified Real Estate Appraisers Law.
- the use of this report is subject to the requirements of the appraisal organizations of which the appraiser is a member relating to review by its duly authorized representatives.
- We have made a personal inspection of the property that is the subject of this report. We have made an exterior inspection of the comparables that are used in this report.
- no one other than associates in this office or outside consultants as noted provided significant professional assistance in the preparation of this report.
- the appraisal assignment was not based on a requested minimum valuation, or specific valuation or the approval of a loan.
- the undersigned designated appraisers have completed the requirements under the continuing education program of the appraisal organizations for which he is a member.
- We have completed previous appraisal assignments of similar type properties. The appraisers have not completed any appraisal, review, or consulting assignments for the subject over the last three years.



GAYLE H. BOUDOUSQUIE, MAI
LOUISIANA CERTIFIED GENERAL
REAL ESTATE APPRAISER LICENSE No. G-0125

BONNIE R. CURRY
LOUISIANA CERTIFIED GENERAL
REAL ESTATE APPRAISER LICENSE NO. G1023

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Address of Subject:	4131 Elysian Fields Avenue New Orleans, LA
Date of Appraisal:	September 12, 2013
Date of Value:	August 28, 2013
Type of Appraisal:	Summary Appraisal Report
Property Rights Appraised:	Fee Simple Ownership
Zoning:	C-1, Commercial District
Property Type:	Former Firehouse
Site Description:	6,000+/- square feet with frontage on Elysian Fields Avenue and Pelopidas St.
Improvements:	Vacant former firehouse containing 2,620± sq. ft in poor condition.
Highest and Best Use:	Re-Development of building into an alternative commercial use.
Value by the Cost Approach:	\$176,000.00
Value by the Income Approach:	N/A
Value by the Sales Comparison Approach	N/A
Land Value (as if vacant):	\$162,000.00
Final Estimate of Value:	\$176,000.00
Appraisers:	Gayle H. Boudousquie, MAI Louisiana Certified General Real Estate Appraiser License, No.G0125 and Bonnie R. Curry Louisiana Certified General Real Estate Appraiser License No. G1023

ASSUMPTIONS AND LIMITING CONDITIONS

An oral or written report, counseling letter or any assignment in which an indication of value is rendered is considered an APPRAISAL. The appraisal assignment is subject to the following assumptions and limiting conditions.

This appraisal report has been made with the following general assumptions.

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. The information furnished by others is believed to be reliable. However, no warranty is given for its accuracy.
4. All engineering is assumed to be correct. The plot plans and illustrative material in the report are included only to assist the reader in visualizing the property and should not be construed as exact.
5. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.
6. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
7. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
8. It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
9. The assignment is conducted on the assumption that all improvements are completed and in place.
10. The quality of on site management can have a direct effect on the property's economic viability and market value. The financial forecasts contained in this assignment assume both responsible ownership and competent management. Any variance from this assumption could have a significant impact on the forecasted value estimate.

11. All estimates, projections and forecasts contained in this assignment are based upon an evaluation of the present general level of the economy in the area. This does not take into account nor make provision for the effect of any sharp rise or decline in the local or general economic conditions. All estimates, projections and forecasts contained in this report are considered to be reasonable probabilities but are in no manner guaranteed, and we assume no liability for any deviation in the estimates, projections and forecasts.
12. The appraisers assume that there are no hidden or unapparent conditions of the property, sub-soil or structures, which would render it more or less valuable. No responsibility is assumed for such conditions, the cost to correct any defects now existing or that may develop in the future or for the cost of engineering, which may be required to discover them.
13. Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyls, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde, foam insulation, or other hazardous substances or environmental conditions, may affect the value of the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in the field of environmental impacts upon real estate if so desired.

This appraisal report has been made with the following general limiting conditions:

1. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser.
3. The appraisers herein by reason of this appraisal is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- 4.

5. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser.
6. The appraisers reserve the right to change and revise valuation in this assignment if any undisclosed information or errors come to their attention at a later date.
7. The appraisers'/consultants' responsibility is limited to the client, and use of this appraisal by third parties shall be solely at the risk of the client and/or third parties.
8. Acceptance of and or use of the report constitutes acceptance of all assumptions and the above conditions.

SCOPE OF THE APPRAISAL

The subject is located in an area known as Gentilly Terrace. The subject was former Fire Station Engine #28 – vacant for over twenty years. The appraisers have done the following:

- Inspected the subject site and improvements.
- The subject is valued “as is”.
- Information provided by the client is utilized in the report.
- Researched sales of vacant commercial land and buildings in poor condition.
- The improvements are in poor condition with only slab and exterior walls assumed sound.
- The Cost Approach is used to value the depreciated slab and exterior walls – the only remaining portion of the building with value. The value by the Cost Approach is Land Value plus the estimated depreciated value of the improvements.
- This building would appeal to an owner occupant redeveloped into commercial use as demand warrants.
- The Income Approach is not an indicator of value and is not utilized in this report.
- No valid sale comparables were found. Information in the Sales Comparison Approach is presented for the reader.

In the appraisal of the subject property, the appraiser obtained data from the following sources:

- Ownership Title Data
- Onsite inspection of the subject property and real estate market areas
- Gathering and investigating real estate market data:
- Public records, real estate agents, real estate appraisers, sellers and purchasers
- FEMA Flood Zone Data
- Analysis of land use trends
- Analysis of local area demographic data
- Parish government:
- Clerk of Court Records
- Assessor’s Records
- Local real estate agents and appraisers
- The University of New Orleans Market Data Center, Metropolitan New Orleans Real Estate Market Analysis, Turing the Corner, March 2012 (Volume 44) Uniform Standards of Professional Appraisal Practice, Appraisal Foundation, 2012 edition

PURPOSE AND INTENDED USE OF THE APPRAISAL

The exclusive use of the City of New Orleans for possible sale purposes.

DEFINITION OF MARKET VALUE

The United States Treasury Department, Comptroller of the Currency 12 CFR part 34.43(f) defines "Market Value":

"The most probable price a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus." Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

PROPERTY RIGHTS APPRAISED

Fee Simple Fee ownership is defined as the following:

"Fee simple estate is described as absolute ownership unencumbered by any other interest or estate subject only to the government powers of taxation, eminent domain, police power and escheat".

STATEMENT OF OWNERSHIP

The City of New Orleans, owns the property.

EFFECTIVE DATE OF APPRAISAL

The effective date of this appraisal is August 28, 2013.

DATE OF REPORT

Date of the report is September 12, 2013.

LEGAL DESCRIPTION

The subject fire station is located on Lots 11 and part of 12 in Square 2890-A as shown below:

CURRENT DEED TRANSCRIPTION

SQUARE No. 2890 ASS'MT DIST. No. 8th ward PROPERTY DESCRIPTION No. 38855-01

OWNER: CITY OF NEW ORLEANS

ADDRESS:

C. O. BOOK: 497 FOLIO: 646 DATE: 7/11/1938 LOT DESCRIPTION: 11 Pt. 12

SQUARE BOUNDED BY: Pelopidas - Gentilly Road - Marigny - Elysian Fields Ave.

DESCRIPTION OF PROPERTY:

Forms the corner of Elysian-Fields Ave. and Pelopidas St. and measures;

50' 0" 00" 00" Front on Elysian-Fields Ave.

120' 0" 00" 00" Depth and front on Pelopidas St.

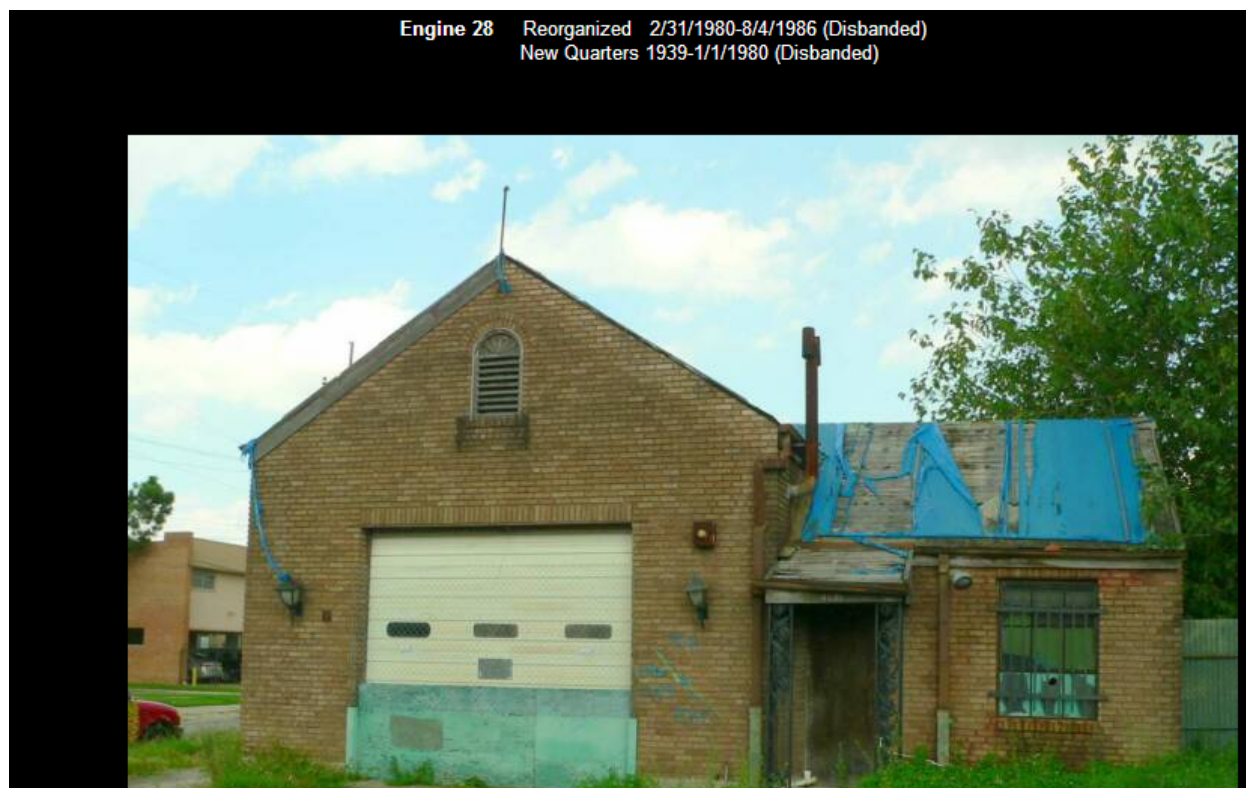
by an equal width and depth B.E.P.L.

Composed of all of lot 11 and part of lot # 12

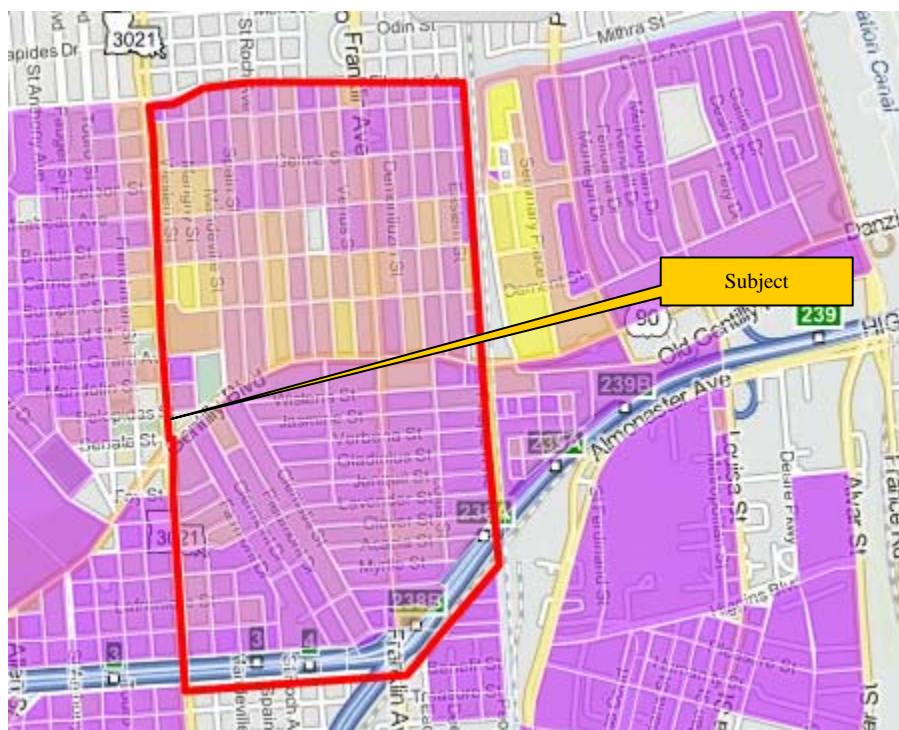
4131 Elysian Fields

ENGINE # 28

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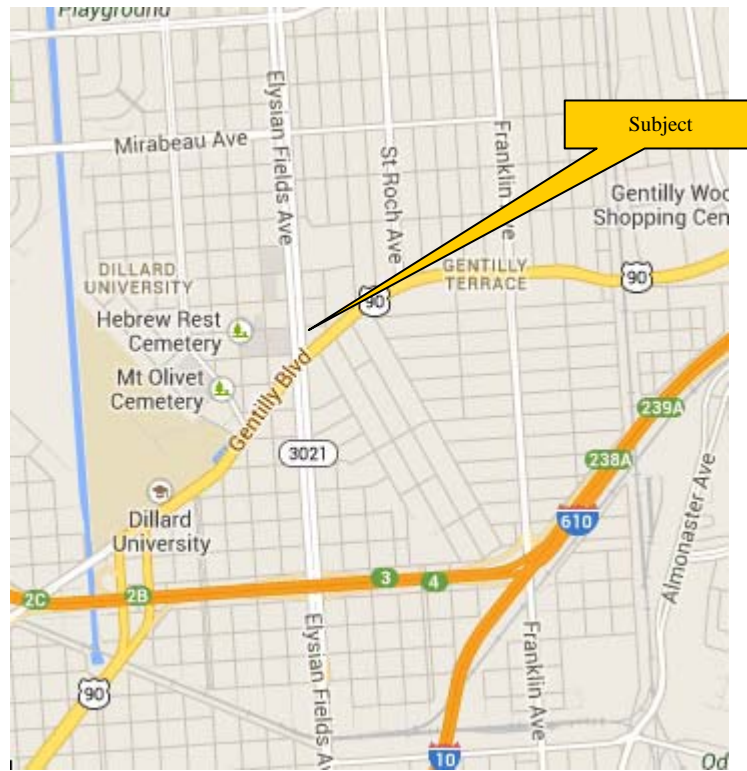


Photograph of Engine #28 from Greater New Orleans Fire Photos

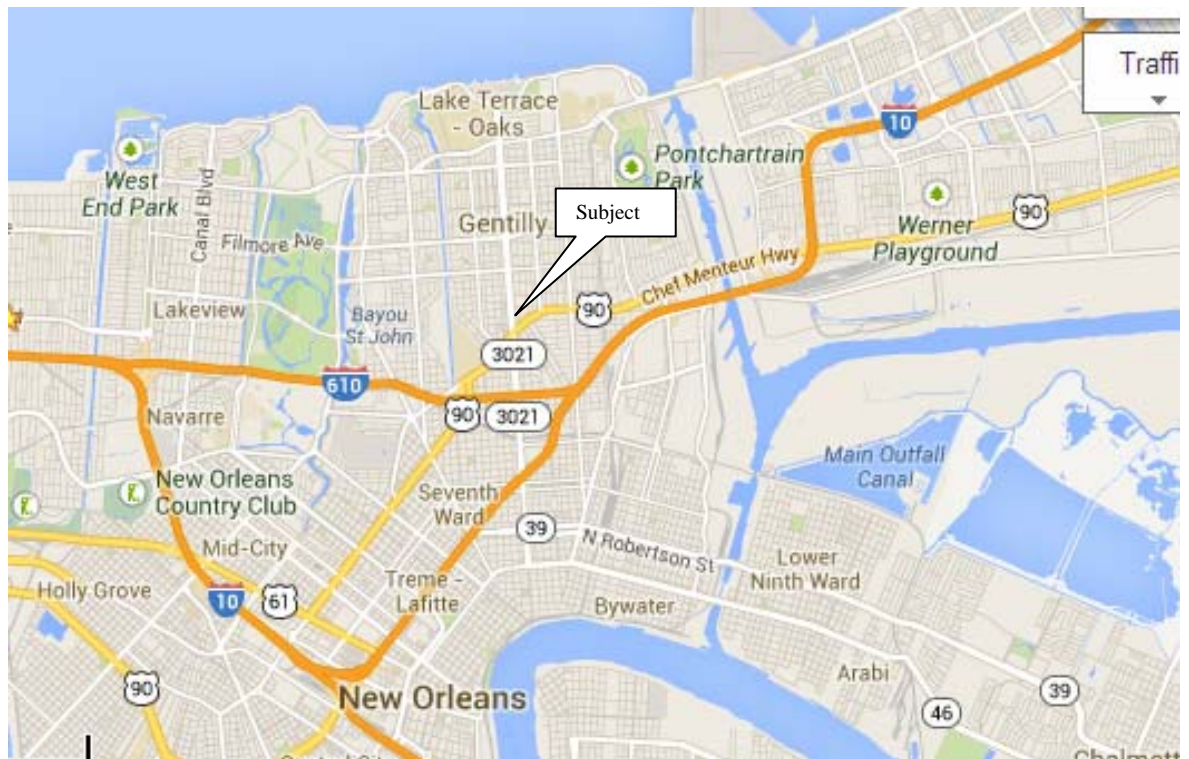


Gentilly Terrace Historic District Outlined in Red

NEIGHBORHOOD MAP



VICINITY MAP

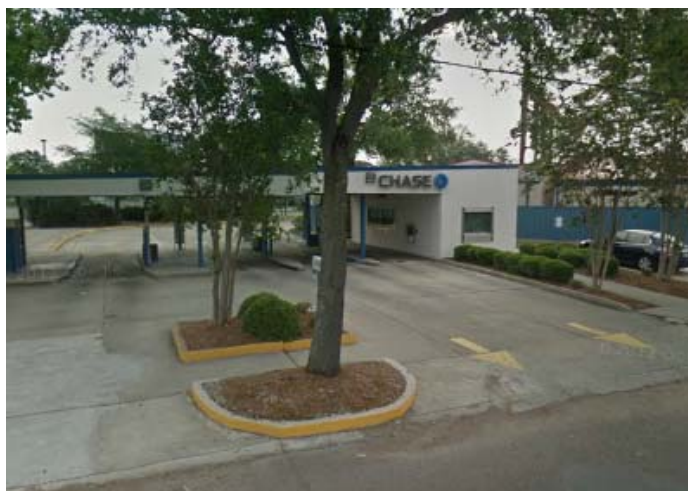


NEIGHBORHOOD DESCRIPTION

The Gentilly Terrace neighborhood is a sub-district of Gentilly. Gentilly is the large New Orleans neighborhood on the northwest side of New Orleans that includes many unique sub-districts. Much of it was developed as the modern neighborhood, a model suburban like style akin to California living, yet it has a long history and is also important for its historic architecture. Gentilly was hard hit by Katrina and the post hurricane flood. The London Street canal floodwall breaks caused devastating damage.

Gentilly Terrace was the first neighborhood development in Gentilly. Gentilly Terrace is on the National Historic Register, mainly due to its unique architecture, especially because approximately 40 percent of homes are California Craftsman Cottages. Homes were built in this neighborhood through about 1940, especially during the thirties, creating a perfect mid-century atmosphere.

The subject site is bounded by and fronts Elysian Fields Avenue, fronts Pelopidas Street to the north, Gentilly Boulevard to the south, and Marigny Street to the west. Elysian Fields Avenue is the primary north/south roadway from the Mississippi River to the lake.



Chase Bank Drive-thru on Elysian Fields adjacent to Subject Firehouse

The median sales price for homes in the Gentilly Terrace neighborhood according to Trulia for May 2013 to July 2013 was \$105,700 based on 10 sales. Compared to the same period one year ago, the median sale price decreased 27.1% or \$39,300 and the number of sales decreased 23.1%.



Commercial on Pelopidas Street across from Subject

The Gentilly area has improved from the extensive damage from Katrina. The intersection on Gentilly Boulevard is spotted with new construction and is a viable commercial corridor.

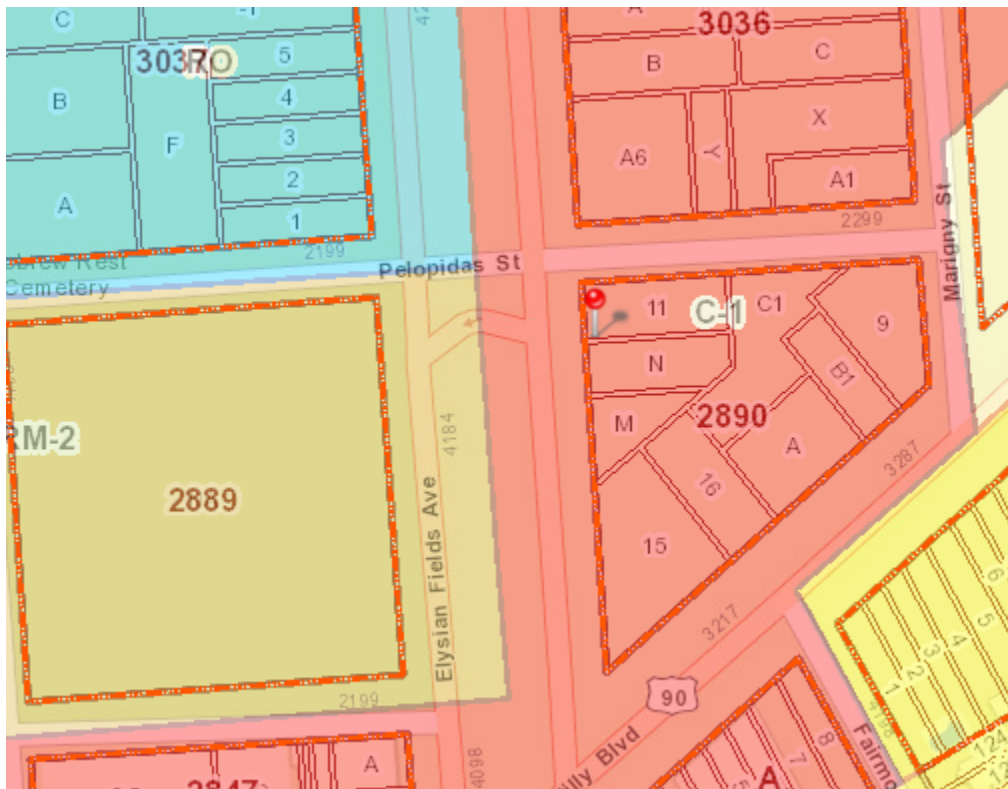
ZONING

Zoning is the public regulation of the character and extent of real estate use through police power; accomplished by establishing districts or areas with uniform restrictions relating to improvements, structure heights, areas, bulk, density of population, and other limitations on the use and development of private property.

The subject property is zoned C-1, Commercial District. The purpose of this district is to provide sufficient space in appropriate locations for a wide variety of commercial and miscellaneous service activities, generally serving a wide area and located particularly along certain existing major thoroughfares where a general mixture of commercial and service activity now exists, but which uses are not characterized by extensive warehousing, frequent heavy trucking activity, open storage of material, or the nuisance factors of dust, odor, and noise, associated with manufacturing. The district is intended for application in intensely developed areas. Tall buildings are permitted, no front yards are required and signs are less restricted than in the B-2 Neighborhood Business District.

Based on the size and placement of the subject improvements on the site, the subject improvements conform to zoning regulations.

ZONING MAP



ASSESSMENT AND TAXES

A new Constitution was approved by voters of the State of Louisiana on April 20, 1974. The tax provisions of the new Constitution provided that beginning January 1, 1978, residential properties and vacant land would be assessed at 10% of market value and other properties assessed on the basis of 15% of market value or cost (10% on land/15% on improvements). The new Constitution provided for reappraisal for assessment purposes at least once every four years. Millages throughout the State would be adjusted to provide level income to the respective parishes. Portions of the millage in the past have been designated to specific uses, such as levee districts, hospital districts, schools, etc., and the intent of the Constitution was that no parish or other entity would suffer a loss of revenue because of the equalization of the 1974 Constitution.

The property is owned by the City of New Orleans is tax exempt. The 2013 assessments are as follows:

Tax Bill#:	38W301808
Land Assessment:	\$ 2,700
<u>Improvement Assessment:</u>	<u>\$13,800</u>
Total Assessment:	\$16,500
Value Based Assessment:	\$129,000

This value is not representative of land or improvement value.



SITE DESCRIPTION

The subject is located on the southwest corner of Elysian Fields Avenue and Pelopidas Street in Square 2890 and identified as Lots 11 and part of 12. The area is known as Gentilly Terrace in the Third District of the Parish of Orleans. The rectangular site has 50 feet of frontage on Elysian Fields Avenue by a depth and frontage on Pelopidas Street of 120 feet between equal and parallel lines. The total square footage is 6,000 according to the legal description provided.

Elysian Fields Avenue is a four lane primary roadway separated by a center median to divide traffic flow.

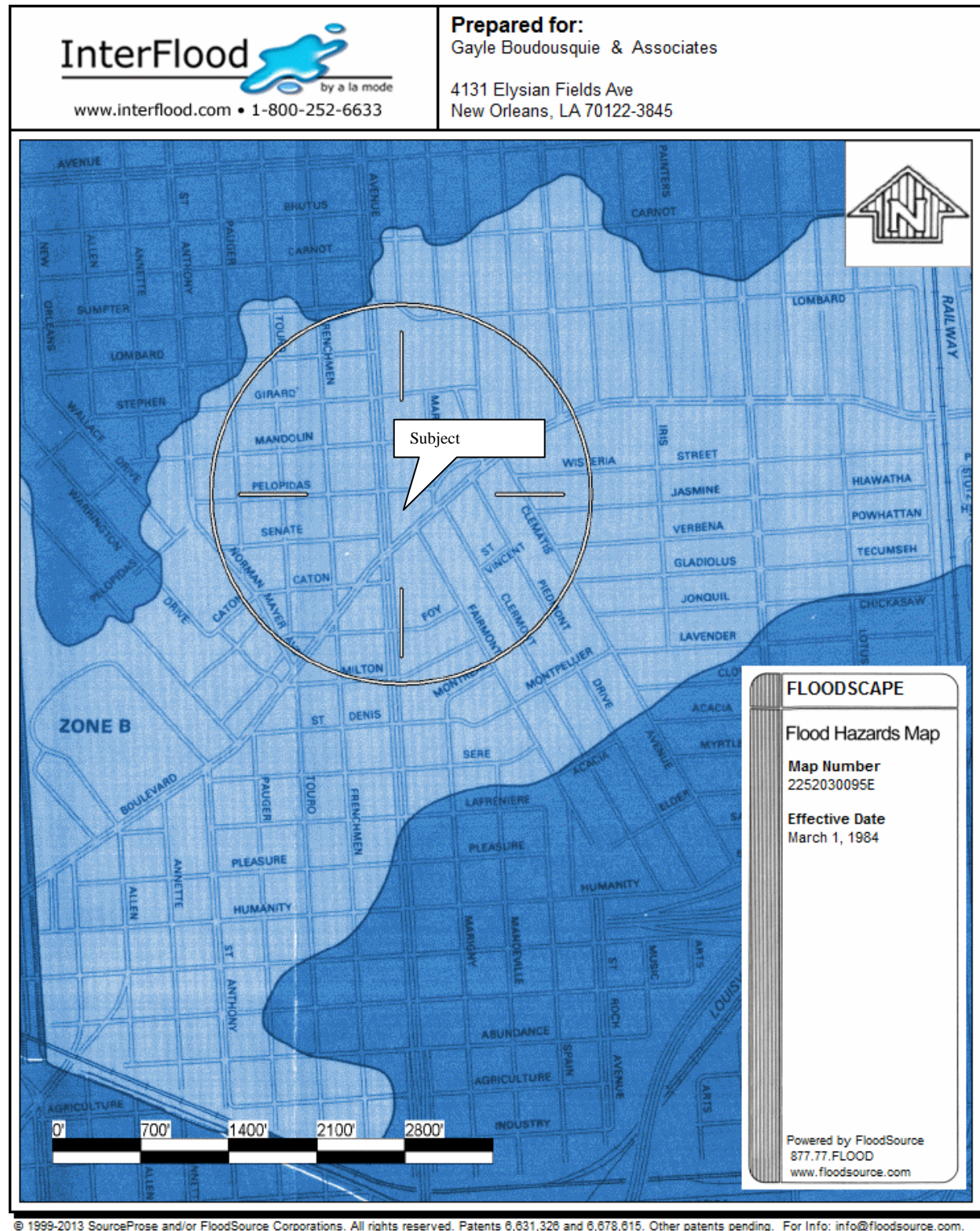
The subject is zoned C-1, Commercial District. This classification allows for wide variety of commercial uses. The topography is level and appears above street grade. Drainage is considered good accomplished by subsurface drainage. According to FEMA's flood insurance rate maps, the subject is located in Flood Zone B according to #225 2030 0095E dated March 1, 1984.

Soil and subsoil are typical of the area but a new major construction project would require pilings.

Public utilities including sewerage, water, electricity, and telephone serve the site.

No encroachments or easements that would negatively affect marketability were noted.

The site is in a totally built up area in an older neighborhood that sustained damage from Katrina and Issac. The activity in the area is positive with new and restored buildings.

FLOOD ZONE MAP

DESCRIPTION OF IMPROVEMENTS

The subject improvements consist of a one-story vacant former fire station building built in 1939±. The building is in poor condition. The building contains approximately 2,620± square feet including the rear section containing 502± square feet.

The subject has been vacant approximately 20 years. Katrina and Issac caused severe roof damage, which has been left unattended and the roof has no cover with portions of the joist caved into the building and side yard. .

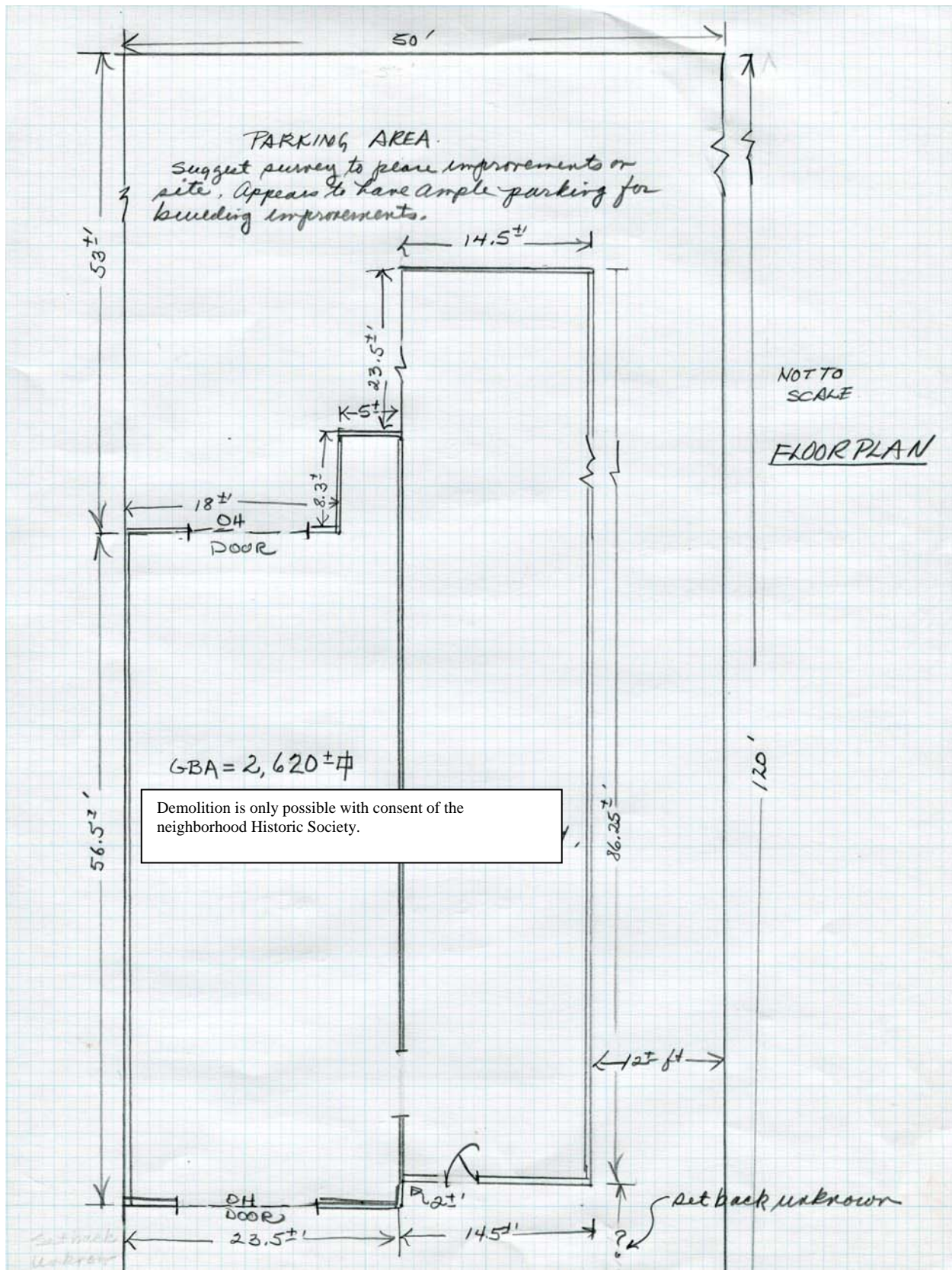
The building is boarded up and there is no electricity. For safety purposes the appraiser took only a few interior photographs.

The structural walls are masonry. The slab is heavy duty and appears, from what was visible, to be in average condition.

Current condition reflects continuing damage to plaster surfaces with peeling paint now on the floor and interior dampness due to multiple window, soffit, and basically no roof. Only the slab and walls are considered to have some minimal value.

It is suggested a survey be found in the city records or a new survey be ordered. If there is a 12-foot wide side yard it would allow a driveway from Gentilly Boulevard and create good ingress and egress for retrofit of the structural elements still having some utility of use..

Following are a floor plan and subject photographs.

FLOOR PLAN

SUBJECT PHOTOGRAPHS



View of former firehouse, Engine #28, from Elysian Fields Avenue Showing Damaged Roof Structure



Rear View of View of Firehouse

SUBJECT PHOTOGRAPHS



View of Rear Section



Interior View

SUBJECT PHOTOGRAPHS



Interior View - Appraisers stopped at this Point



Failed Roof Structure.
Light is showing through the missing roof cover and joists

SUBJECT PHOTOGRAPHS



Gentilly Blvd. Side View. Portion of the roof frame is in the foreground.



Pelopidas Street Looking East – Subject on Right

SUBJECT PHOTOGRAPHS



View of Pelopidas Street Looking West



Elysian Fields Avenue Looking North

HISTORY OF THE SUBJECT PROPERTY

The subject has been owned by the city of New Orleans since the 1930's operating as a fire station from 1939 until 1980. It is reported that NORD occupied the building between 1980-1986. The property has been vacant for over twenty years.

The property is not currently listed or under contract of sale. The property may be listed for sale in the near future.

HIGHEST AND BEST USE

The term, "highest and best use," is defined in The Appraisal of Real Estate, Thirteenth Edition, published in 2008 by the Appraisal Institute, as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."²

It is the base premises of value. Highest and best use is the appraiser's opinion after analyzing all available data and the factors that influence value. It is, however, not an absolute fact.

Since the land's utilization can be limited by the presence of the improvements, the highest and best use analysis is two-fold. First the land is analyzed assuming it is vacant and available to be developed into its most reasonable and probable use maximizing its highest present value. It recognizes that the value of a land parcel is basically determined by maximum potential use and the amount of value depends upon the nature of that anticipated use.

Secondly is the analysis of the property as improved; i.e., the optimal use that could be made for the property including its existing improvements, and implies the optimal existing improvements should be retained. If the analysis determines otherwise, it follows the improvements should be modified or demolished. In order to estimate the highest and best use, it is necessary to study existing land use patterns in the area, as well as the current trends influencing changes in usage.

In determining the highest and best use for a property, as if vacant and as improved, its use must meet four criteria. The criteria are as follows:

- (1) Physically Possible
- (2) Legally Permissible
- (3) Financially Feasible
- (4) Maximally Productive

Highest & Best Use - As Vacant:

The subject property is located in the Gentilly Terrace neighborhood, a sub-district of Gentilly that sustained severe damage from Hurricane Katrina. The neighborhood has been rebuilt and is in commerce. The subject is located just off the intersection of Gentilly Boulevard and Elysian Fields, a concentrated commercial corridor.

The subject is located on the corner of Elysian Fields and Pelopidas Street and is adjacent to a bank and small commercial use along Pelopidas. The site is zoned C-1 and is suitable for many commercial uses.

Based on the current conditions, the Highest and Best Use of the subject site would be for future commercial development as demand warrants.

³The Appraisal of Real Estate, Appraisal Institute, Thirteenth Edition-2008.

Highest and Best Use - As Improved

The subject consists of a single story former fire station in poor condition with no roof cover and termite damaged or missing roof joist. The slab and exterior walls appear to be in structurally sound condition. The question is does the slab and exterior walls add to or encumber land value. The cost to replace in today's market would tend to imply that some value exists.

The location on the corner of Elysian Fields and Pelopidas Street is in an active block of commerce. The property is zoned C-1, Commercial District. The building in its current condition would require total gutting prior to renovation. The property could possibly be renovated to an alternative commercial use.

The Highest and Best Use of the subject building is for re-development into a commercial use as demand warrants. This could be professional office, medical office, or some type of service business such as construction.

**LAND VALUE BY THE
SALES COMPARISON APPROACH – LAND AS IF VACANT**

This subject is a 6,000± square foot corner site on Elysian Fields and Pelopidas Street in close proximity to Gentilly Boulevard. The site is zoned C-1, Commercial District in a neighborhood of mixed use.

The appraisers researched similar neighborhoods for vacant land sales or sales of property in poor condition that had the improvements demolished after acquisition. Research was done over the last 24 months.

"Elements of comparison are the characteristics of properties and transactions that cause prices paid for real estate to vary."¹ These elements include: real property rights conveyed, financing terms, conditions of sale, market conditions, location, streets/corners (access), zoning, and size. The comparables are compared to the subject and adjustments are made to reflect differences in the various elements of comparison in order to formulate a value indication.

The following sales were used in this analysis.

Comparable Land Sale #1



Location: 3001-07 Elysian Fields Avenue
Third District, Square 1923, Lot 4
New Orleans, Louisiana

Date: August 9, 2011

Price: \$175,000 Cash

Vendor: Samuel A. Schloegel

Vendee: Todd Bergeron, LLC represented by Todd Bergeron

Recordation: NA# 2011-29229

Zoning: B-1, Neighborhood Business District

Dimensions: 80 feet by 97.71 feet

Size: 7,817 square foot

Shape: Rectangular

Unit Price: \$22.39 per square foot.

Comparable Sale No. 1 Cont

Remarks: The site is located on the corner of Elysian Fields Avenue and Abundance Street. The neighborhood is an area of small commercial uses with good access and visibility. The site was vacant at time of sale and is now developed with a self-service car wash.

Verification: Courthouse, Multi List, assessment records and visual inspection



Comparable Land Sale #2



Location: 319 Harrison Avenue
Second District, Square 288 Lot A
New Orleans, Louisiana

Date: February 11, 2013

Price: \$150,000 Cash

Vendor: Scott G. Hosen

Vendee: Evan F. Trestman

Recordation: NA# 2013-06426

Zoning: LB-1 Lake Area Neighborhood Business District

Dimensions: 41.3 feet by 107.5 feet

Size: 4,440 square foot

Shape: Rectangular

Unit Price: \$33.78 per square foot.

Comparable Sale No. 2 Cont

Remarks: The site is located on Harrison Avenue and an alleyway running parallel to Milne Street.

Verification: Courthouse, Multi List, assessment records and visual inspection



Comparable Land Sale #3



Location: 6262 Ponchartrain Blvd.
Seventh District, Square 14, Lots 1 and 2
Metairie Park Subdivision
New Orleans, Louisiana

Date: June 11, 2012

Price: \$140,000, Credit – Bond for Deed

Terms: \$23,000 Cash, \$117,000 financed at 6% interest only until December 1,
.2013 the balloon date

Cash Equivalent: Yes

Vendor: Mr. and Mrs. Anthony Cinquemano, III

Vendee: Mr. and Mrs. Thomas Farrell Desormeaux

Recordation: NA# 2012-22782

Zoning: LB-1, Lake Area Neighborhood Business District

Dimensions: 40 feet x 120 feet – Corner site with frontage on West Harrison Avenue
and Ponchartrain Boulevard.

Comparable Sale No. 3 Cont.

Land Area: 4,800+/- Square Feet

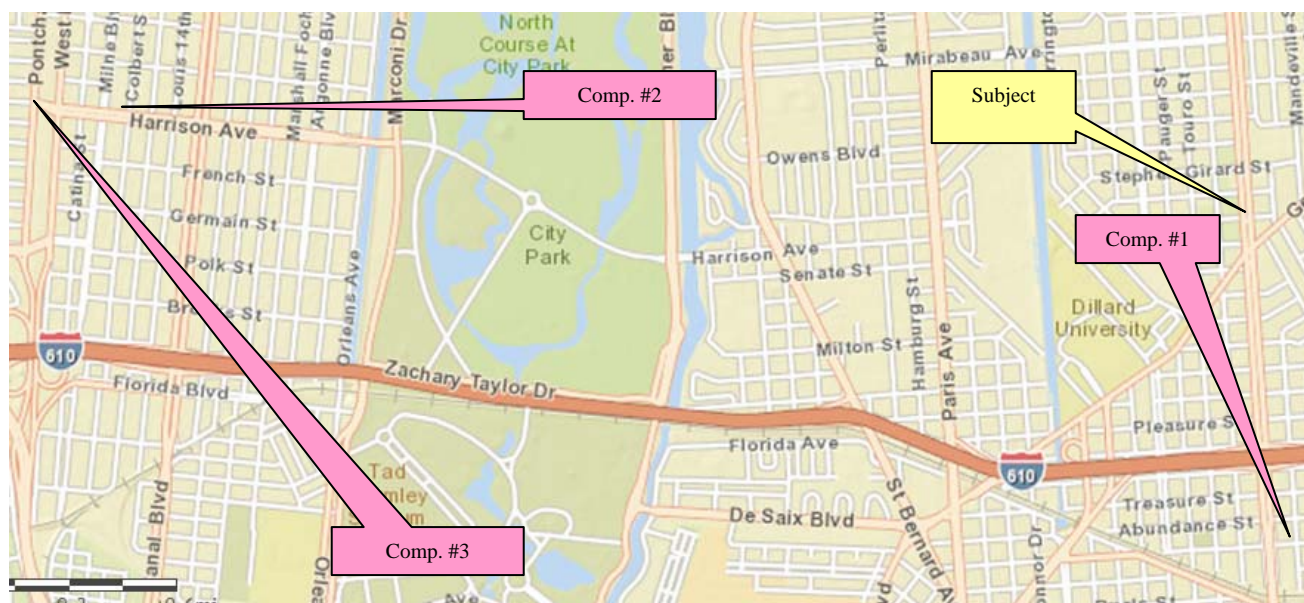
Shape: Rectangular

Unit Price: \$29.17 per square foot

Remarks: Highly visible site with good access.

Verification: Agent and visual inspection.



COMPARABLE LAND SALES MAP**Adjustments - Sales Comparison Approach**

In reviewing sales activity in the neighborhood three of the most comparable sales were utilized. The sales occurred between August 2011 and February 2013. The sales utilized are considered to be representative of the market.

The sales used in the report range in size from 4,440 to 7,817 square feet with a sale price unit range of \$22.39 to \$33.79 per square foot.

After presentation of comparable data, the next step is one, which involves analysis of the comparable sales as they relate to the subject site. Adjustments most frequently used by the appraiser during this process are:

- (1) Financing terms
- (2) Conditions of sale (arm's length, succession, adjoining owner, etc.)
- (3) Market conditions (time)
- (4) Location
- (5) Physical characteristics

Discussion of each relevant adjustment follows:

Financing Terms

No adjustment for financing is necessary.

Condition of Sale

No unusual conditions of sale were noted – no adjustment was necessary.

Market Condition (Time)

The sales ranged from August 2011 and February 2013. All of the sales are considered current and no adjustment was necessary.

Location

The subject is located on the corner of Elysian Fields Avenue and Pelopidas Street in an area of commercial and residential use. Elysian Fields is a four lane two-way roadway running in a north/south direction from the Mississippi River to Lake Ponchartrain. There are sidewalks and curbs with overhead lighting. Sale #1 is similar to the subject in locational attributes. Sale #2 is located in Lakeview, a demand area of residential use with small commercial use to support the neighborhood. This sale is adjusted downward –15% for location. Sale #3 has frontage on Ponchartrain Boulevard and direct access to the interstate system. This sale is also adjusted downward –15% in the grid.

Physical Characteristics

In analyzing the comparables for the physical characteristics, the appraisers adjust for size, zoning, and streets/corners (access).

Size

All of the sales are considered similar in size – no adjustment was made.

Zoning

The subject C-1 and the sales are zoned neighborhood business – a more restrictive commercial zoning. These sales were adjusted upward +5% in the grid.

Streets and Corners (Access)

Sales #1 and #3 are corner locations as is the subject. No adjustment was necessary. Sale #2, although fronting a service alleyway is considered an interior site and is adjusted upward +5% in the grid.

Please see following adjustment grid:

Adjustment Grid - 4131 Elysian Fields Avenue

Location	Subject 4131 Elysian Fields New Orleans	Comp. #1 3001-07 Elysian Fields New Orleans	Comp. #2 319 Harrison New Orleans	Comp. #3 6262 Ponchartrain Blvd. New Orleans
Sale Date	N/A	8/9/2011	2/11/2013	6/11/2012
Sale Price	N/A	\$175,000	\$150,000	\$140,000
Site Size S/F	6,000	7,817	4,440	4,800
Zoning	C-1	B-1	LB-1	LB-1
Streets/Corners	2/1	2/1	1/0	2/1
Price per S/F	N/A	\$22.39	\$33.79	\$29.17
Condition of Sale		0%	0%	0%
Market Condition (Time)		0%	0%	0%
Adj. for Cond. & Time		\$22.39	\$33.79	\$29.17
Location		0%	-15%	-15%
Size		0%	0%	0%
Zoning		5%	5%	5%
Streets/Corners		0%	5%	0%
Total Adjustments:		5%	-5%	-10%
		\$23.51	\$32.10	\$26.25

Subj. by Comparison:

Conclusion per S/F ***\$27.00***
Conclusion ***\$162,000***

CONCLUSION OF THE SALES COMPARISON APPROACH

The unadjusted comparable sales ranged from \$22.39 to \$33.79 per square foot. After adjustments, the value range is between \$23.51 per square foot and \$32.10 per square foot. The mean is \$27.28 per square foot.

Sales #1 and #2 received the least adjustment. . Sales #1 and #3 are corner properties. All of the sales are given some weight in the analysis

Based on the quality and quantity of data as well as current economic conditions, the value by the Sales Comparison Approach as of August 28, 2013 is reasonable and supported at \$27.00 per square foot.

6,000 SQUARE FEET @ \$27.00 PER SQUARE FOOT = \$162,000

COST APPROACH TO VALUE**Estimation of the Improvement Contribution to the Land**

The subject's roof and roof structure has failed 100% and requires demolition before renovation. The walls and slab appear to be structurally sound.

The design and placement of the structure on the site will allow multiple commercial uses. There appears to be ample parking, and also appears to be a side yard to allow a driveway to the south side. The appraisers were not given a survey, and recommend a current survey be made to verify front and side setbacks.

This section of the report estimates the depreciated value of the slab and masonry walls less estimated cost of removing roof structure plus estimated land value.

The Cost Approach adds Land Value to the depreciated value of the structure and subtracts an estimated cost to bring the property to shell condition. Marshall Valuation Sections 51 and 97 are used in this estimation. The appraisers could not access the side yard area due to vegetation and wood debris from the failed roof

Wall area is estimated by multiplying the average wall height times the length of the wall less penetrations (overhead doors, pedestrian doors, and windows).

Areas

	Average Wall Height	Linear Feet	Total Sq. Ft.	Cost
Front and Rear	20	47	940	
Side and Interior Walls	16	113	1,808	
South Wall and Rear Extension	10	130	1,130	
Gross Wall Area			3,878	
Less:				
Penetrations (estimate)			-350	
Total			3,528	
Replacement Cost New @ \$22/s/f				\$77,616
Rounded to:				\$78,000
Slab @ \$10 per S/F Rounded:			2,620	\$26,000
Total Allocated Replacement Cost New				\$104,000
Less 80% Depreciation from Marshall (Rounded)				\$83,000
Depreciated Slab & Walls Replacement Cost				\$21,000
Plus Land Value				\$162,000
Value by the Cost Approach				\$183,000
Less: Estimated Cost of Roof Demolition @ \$2.50 per S/F (Rounded)				\$7,000

Final Value by the Cost Approach

\$176,000

**VALUE BY THE
SALES COMPARISON APPROACH**

The subject is a former fire station in a neighborhood known as Gentilly Terrace just off the intersection of Gentilly Boulevard and Elysian Fields. This is an area of concentrated commercial use that has been redeveloped after Katrina damage. The subject building has been vacant 20+ years with failed roof and in poor condition. The improvements can only be demolished if the neighborhood historic district board approves.

The subject's gross building area is estimated as 2,620+/- square feet. The Highest and Best Use of the property is conversion to commercial use. It is projected the neighborhood would support the investment necessary to achieve this.

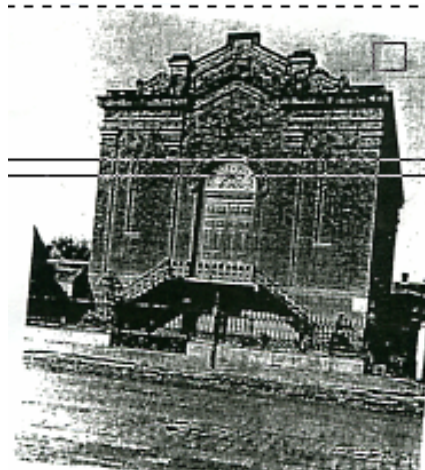
Research was done to find comparable buildings with only exterior wall and slab usable. None were found.

The following three buildings shown on the following pages are used **for informational purposes and no analysis is done**. The subject building has only a slab and exterior walls. These sales were in fair/poor condition but did not have as much building damage as the subject.

Informational Building Sale #1



Current View



Historic View

Location: 701-09 Jackson Avenue
Fourth District, Square 73, Lots A and 12
New Orleans, Louisiana

Date: September 14, 2012

Price: \$520,000, Cash

Vendor: 709 Jackson, LLC represented by Michael J. Semmes

Vendee: Raintree 1, LLC represented by Gregory Morris, Member

Informational Sale No. 1 Cont.

Recordation: NA#2012-34712

Zoning: RM-2A, Residential District

Dimensions: 127.8 feet x 127/52.5 feet

Land Area: 14,242 +/- Square Feet

Building Size: 11,167 Sq. Ft.

Unit Price: \$45.56 per square foot of improvements including land.

Remarks: This is a two-story building with above grade basement constructed in 1857 as the former Shaare Tefilah Synagogue. The building was totally gutted, water tight and ready for restoration at time of sale. This was the 2nd oldest synagogue in the city. Masonry with heavy timber construction.

Land value in this area is approximately \$15.00 per s/f.

Verification: Bob Talbot, Talbot Realty, courthouse and assessment Records and visual inspection.



Informational Building Sale #2



Location: 4877 Laurel Street
Sixth District, Square 65, Lot B-1
New Orleans, Louisiana

Date: August 2013

Price: \$280,000, Cash

Vendor: City of New Orleans represented by Mitchell J. Landrieu, Mayor

Vendee: John Beaumont

Recordation: Not yet recorded

Zoning: RM-2, Residential District

Land Area: 3,654 Square Feet

Building Size: 3,779 Square Feet

Informational Sale No. 2 Cont.

Unit Price: \$74.09 per square foot of improvements including land

Remarks: The property was in fair/poor condition at time of sale and requires 100% interior finish and exterior repair. There was a bidding war, and the property was purchased for commercial use. The buyer is now trying to have the zoning changed.

Land value in this area is approximately \$30 per s/f.

Verification: Multi List, Courthouse Records and Visual Inspection.



Informational Comparable Sale #3



Location: 1421 St. Roch Avenue
Third District, Square 613 Lot 17 & 18
New Orleans, Louisiana

Contract Date: March 23 2011

Sale Price: \$105,000, Cash

Vendor: City of New Orleans represented by Mitchell J. Landrieu, Mayor

Vendee: Joseph Brantly Cruthirds

Recordation: NA# 2011-15147

Zoning: RD-3. Residential District

Dimensions: 62 feet x 105 feet

Land Area: 6,300± Square Feet

Building Size: 4,261± Square Feet

Shape: Rectangular

Comparable No.3 Cont

Unit Price: \$29.74 per square foot of improvements including land

Remarks: Vacant two story former firehouse in fair to poor condition. Land value in this area is approximately \$5.00 per s/f. Photo was taken at time of sale.

Verification: Courthouse Records and Visual Inspection.



RECONCILIATION AND FINAL VALUE ESTIMATE

The estimates of value are as follows:

Value by the Cost Approach	\$176,000
Value by the Sales Comparison Approach	Not Applicable
Value by the Income Approach	Not Applicable
Land Value	\$162,000

The subject is a former firehouse in poor condition. The Sales Comparison Approach was not used to value the subject based on the condition of the improvements and the various costs to renovate being hard to quantify.

The Income Approach is not an indicator of value and is not included in the report.

The Cost Approach uses the estimated depreciated value of the slab and the exterior walls, adds land value and subtracts the cost of debris removal from the roof cover and frame for a value by the Cost Approach. Due to the condition of the improvements this approach appears to be the most viable and is the final value.

Based on the information presented in this report, as well as current economic conditions, the “as is” market value is well supported in the Cost Approach **as of August 28, 2013 as \$176,000 Rounded.**

**ONE HUNDRED SEVENTY SIX THOUSAND DOLLARS
(\$176,000.00)**

QUALIFICATIONS OF THE APPRAISER – GAYLE H. BOUDOUSQUIE, MAI

APPRAISER: GAYLE H. BOUDOUSQUIE, MAI
LOUISIANA CERTIFIED GENERAL
REAL ESTATE APPRAISER LICENSE NO. G0125

BUSINESS ADDRESS: 228 St. Charles Ave.
Suite 1331
New Orleans, LA 70130

BUSINESS TELEPHONE: (504) 525-5700 FAX (504) 525-5705 CELL (504) 495-2772
e-mail gaylehb@bellsouth.net

EDUCATION

Master of Business Administration, Concentration in Economics, Finance, and
Management, University of New Orleans
Bachelor of Science in Economics, Statistics Minor, Louisiana State University in New Orleans

REAL ESTATE EDUCATION

Various College Level Commercial Real Estate Courses in Financing and Investment Decisions.
The American Institute of Real Estate Appraisers, Courses 1A-1, 1A-2, 1B-A, 1B-B, 2-1, 2-2, and
Standards of Professional Practice

Seminars Include:

Market Analysis
Hazardous Materials Institute
Real Estate Risk Analysis
Subdivision Analysis
Business Valuation
The Appraiser's Legal Liability

Standards of Professional Practice – 2012 Update

Developments in Income Property
Valuation - 2001
Tax Laws - 2001
Partial Interests - Divided - 2000
Easement Valuation - 2000
Analyzing Commercial Lease Clauses - 2002
DOTD Policies and Procedures - 2003
Appraisal Institute Course 420 – 2004

Uniform Standards for Federal Land Acquisitions 2009**Scope of Work – 2007****Valuation of Office Buildings 2008****Spot Light on USPAP 2008****Course 901 IRWA Engineering Plan Development and Application 2008****Appraising Historic Preservation Easements Course 805 Appraisal Institute 2009****Form 1004MC- Appraisal Institute 2009****Appraising Distressed Commercial Real Estate Appraisal Institute 2009****Analyzing the Effects of Environmental Contamination on Real Property Appraisal Institute 2010****Practice of Appraisal Review-FHA Protocol No. 145 2011****Fundamentals of Separating Real, Personal Property, and Intangible Business Assets 2012 Course 833****Complex Litigation Appraisal Case Studies Appraisal Institute 2013**

Appraising Non-Profit Properties
Contemporary Appraisal Practice
Understanding Limited Appraisals
The New URAR Form
Future of Appraising
The Internet and Appraisal
Various seminars given by the
Louisiana Real Estate Commission
Attacking & Defending Appraisals
in Litigation - 1999
Attacking & Defending Appraisals in
Litigation Part II - 2000
Valuation of Partial Interests
in Real Estate - 2003
Appraisal Institute Course 540 – 2003
Valuation of Detrimental Conditions
in Real Estate - 12/05
Forecasting Revenue 2007
Analyzing Distressed Real Estate 2008
Confidentiality and Hypothetical Conditions

QUALIFICATIONS OF THE APPRAISER – GAYLE H. BOUDOUSQUIE, MAI – Page 2**PROFESSIONAL EXPERIENCE****Real Estate Valuation and Consulting**

1995 - Present	Gayle H. Boudousquie and Associates (Owner) Commercial Real Estate and Counseling firm
1992 - 1995	Vice President, Stephen L. Guice & Co., Inc., Real Estate Brokers, Appraisers, and Counselors
1983 - 1991	Vice President, Dupree, Felts and Young, Inc. (Real Estate Appraisers, Analysts, and Counselors with Offices in New Orleans and Shreveport)

Appraisal Review

1991 - Present	Independent Fee Appraisal Review Service to Lending Institutions and Government Agencies. Currently consultant to Orleans Parish for real estate tax appeals.
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Brokerage

Real Estate Brokerage experience in evaluating and selling
investment properties and in commercial leasing since
1975

Teaching Experience

1993 - Present	Instructor - Tulane University - University College. Real Estate Principles and Practice. REAL 232-01 and Advanced Real Estate Principles REAL 332-01 Real Estate Instructor Certified by the Louisiana Real Estate Commission, Certificate No. 659 Seminar given April, 2006 to the Real Estate Commission Appraisers "Valuation of Property After a Natural Disaster- The Randall Bell Matrix" Appraisal Institute Approved.
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SCOPE OF ASSIGNMENTS

Market value analysis for apartment complexes, motels, hotels, office buildings, warehouses, industrial, shopping centers, medical clinics, residential and office condominiums, land at highest and best use, eminent domain, unimproved acreage, mixed-use developments, subdivision analysis, feasibility studies, special purpose property, valuation of property affected by hazardous materials. Expert witness testimony, review of market and fair value appraisals. Real estate counseling problems.

Consultant to the New Orleans Board of Review for over 350 Commercial Assessment Appeals for the Tax year 2008.

QUALIFICATIONS OF THE APPRAISER – GAYLE H. BOUDOUSQUIE, MAI – Page 3**LITIGATION ASSIGNMENTS:**

Includes Eminent Domain in the Parish of Orleans for the Sewerage and Water Board, Parish of St. Tammany for the Department of Transportation and Development and private clients, Parish of Jefferson, and in Ascension Parish against the Ascension Parish Drainage District for a private client. Please call for more specific details.

Most current assignments include Lake Pontchartrain, Louisiana and vicinity Hurricane Protection Project Orleans Parish, Louisiana Orleans East Bank 17th Street Canal Levee System Hurricane Protection Project Algiers Outfall Canal Plaquemines Parish and U. S. Minerals to Boomtown Casino Jefferson Parish. LSU Va Hospital Footprint commercial appraisals. Murphy Canal Valuation assignments for the Parish of Jefferson. Expert witness testimony in 2012 Parish of Orleans and Jefferson Parish.

PROFESSIONAL AFFILIATIONS

Louisiana Real Estate Appraisers State Board of Certification – Member 2003- present
 Appraisal Institute (formerly American Institute of Real Estate Appraisers (MAI), Certificate No. 8304
 Regional Ethics and Counseling Panel 1990-1996
 Non-Residential Demonstration Report Grader Panel 1990-Present
 Louisiana State Government Relations Subcommittee 1992-1993
 Review & Counseling Division - Assistant Regional Member 1993 - 1995
 General Guidance Subcommittee Region IX 1995-1998
 General Demonstration Report Subcommittee, Region IX, 1998 - 2003
 National Screener – Admissions, 1999 – Present
 Admissions Chair, Louisiana Chapter- General –2002
 National Experience Panel – 2005
 National Demonstration Report Panel – 2005
 Advisor Appraisal Institute 2013

DISADVANTAGED BUSINESS CERTIFICATIONS

Louisiana Department of Transportation and Development
 City of New Orleans
 Orleans Levee District
 New Orleans Aviation Board
 Sewerage and Water Board of New Orleans

CLIENTS INCLUDE

Bank One	Omni Bank
Barclays Bank International, Ltd.	Parish of Jefferson
Board of Review – Orleans Parish	Parish of Orleans
Baldwin and Haspel	Parish of St. Tammany
DRG Financial Corporation	Prudential Realty Group
E. I. DuPont de Nemours, Inc.	Regions Bank
Federal Deposit Insurance Corporation	Sewerage & Water Board New Orleans
Federal Reserve Bank of Atlanta	Salmen Company
First Asset Realty Advisors	Scottsdale Insurance Company
GMAC Mortgage	G. T. S. Corporation
CN/Illinois Railroad	Stachan Shipping Company
Gulf Coast Bank & Trust	The Center Companies
Capital One/Hibernia National Bank	Touro Infirmary
Humana, Inc.	Whitney National Bank
InerFirst Bank, Dallas	Williams, Inc.
Louisiana Dept. of Transportation & Devel.	Wink Engineering
Manufacturers Hanover	Norfolk & Southern Railroad
Many and LoCoco	Aviation Board
Department of HUD	Dutell and Tranchina

References provided upon request

QUALIFICATIONS OF THE ASSOCIATE APPRAISER

APPRAISER: BONNIE R. CURRY, ASSOCIATE APPRAISER
Louisiana Certified General
Real Estate License No. G1023

BUSINESS ADDRESS: 228 St. Charles Ave. Suite 1331
New Orleans, LA 70130

BUSINESS TELEPHONE: (504) 525-5700 FAX (504) 525-5705

EDUCATION

University of New Orleans – Business Administration

REAL ESTATE EDUCATION

1. The Appraisal of Real Estate – Tulane University
2. Commercial Real Estate Investment and Taxation – National Association of Real Estate

Appraisal Institute:

Course 110 – Appraisal Principles
Course 120 – Basic Valuation Procedures
Course 410 – Standards of Professional Practice – Part A
Course 420 – Standards of Professional Practice – Part B
Advanced Income Capitalization Techniques
Advanced Case Studies
2000 – Standards of Professional Appraisal Practice
Part A & B
2003 Standards of Professional Appraisal Practice
Information Technology, 12/2001
Analyzing Market Value, Investment Timing: Option Value, 7/2003
Appraising from Plans & Specifications 12/2003
Fair Housing 12/2003
Analyzing Operating Statements 4/2004
Forecasting Revenues
Residential Property Construction and Inspection 5/2004
Ethics in Real Estate 12/06
Scope of the Appraisal 1/07
Internet Tools for Appraisers 2/07
Condemnation and Eminent Domain 4/08
Real Estate Finance Statistics 12/2008
Advanced Internet Strategies – 10/1/2010
Valuing Commercial Green Buildings – 11/1/2010

QUALIFICATIONS OF THE ASSOCIATE APPRAISER – PAGE 2

Rates and Ratios – 12/1/2010
Analyzing Distressed Real Estate - 12/15/2010
Forecasting Revenues 5/2013 – Appraisal Institute
Hotel/Motel Valuation 2013 – Appraisal Institute
Subdivision Valuation 2013 – Appraisal Institute

SEMINARS ATTENDED

1994 Real Estate Tax & Investment Strategies – Loyola University
Various Real Estate Seminars

2005 Gayle H. Boudousquie & Associates, Associate Appraiser

3/1997 Stephen L. Guice & Co., Inc., Real Estate Brokers, Appraisers
and Counselors – Associate Appraiser

1992-1997

1992-1998 Dupree, Felts & Young, Inc. (Real Estate Appraisers, Analysts, &
Counselors with offices in New Orleans and Shreveport) – Associate
Appraiser

1988 – 1992 Prudential Properties – Associate Broker

1986 – 1988 Curry Properties – Real Estate Sales, Management, & Leasing

1985 Licensed Real Estate Broker

1978 Licensed Real Estate Agent